

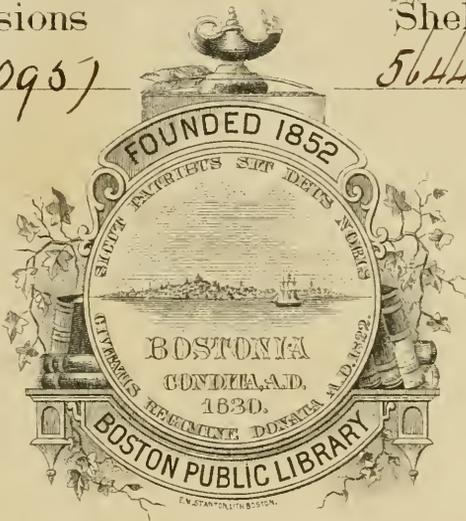


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QUESTIONS OF THE DAY SERIES.—No. LXIII.

WANT AND WEALTH

A DISCUSSION OF SOME ECONOMIC DANGERS OF THE DAY

BY

EDWARD J. SHRIVER

G. P. PUTNAM'S SONS

NEW YORK

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INTRODUCTORY.

THE contribution in these few pages to a discussion which, in one or another of its phases, engrosses so much of American thought to-day, makes no pretension to exhaustive treatment of the subject. The author's one hope is that, through what he says here, he may aid in turning some minds to a consideration and more thorough study of the problem which confronts us, along the lines laid down by "Progress and Poverty," the great book from which his inspiration has been drawn.

E. J. SHRIVER.

NEW YORK, May, 1890.

WANT AND WEALTH.

WHY ARE WE POOR?

IT is a question that forces itself on our attention, and which cannot be put lightly aside. Not, perhaps, the actual pressure of privation for all, but for nine tenths of the people of America a galling sense that they do not get a fair return for their labor, and for almost every citizen of America the ever-present imminence of the danger that a sudden turn of ill-fortune may mean starvation. Our farmers are laboring harder every year, and every year seem to earn less; our merchants battle with such odds that bankruptcy always seems only a few doors away, and overtakes the large majority at some time in their business career; our workingmen who labor for wages show a larger percentage of idle men yearly, and struggle under such grievous burdens that a fierce spirit of discontent is spread-

ing abroad and separating the poorer classes from their fellow-men by an ever-widening gulf. These are indisputable facts to him who will but honestly look about him : yet the nation, as a whole, is richer than ever before, and growing richer daily ; not only in the aggregate, but even in proportion to the population. The more men labor together, the greater is the product of each, and this is true not only of our country, but of all others. A generation ago the millionaire was a curiosity amongst us; and the tramp was unknown ; to-day both extremes are only too familiar. A generation ago the *per capita* production of wealth, the amount produced annually, on the average, by each person was hardly two thirds of what it is to-day. Yet pauperism was then a thing that we heard of only in foreign lands, and grinding poverty so rare as to be fairly attributable to individual fault ; to-day there is no one so industrious, so honest, or so deserving, that, once missing his foothold in the struggle for existence, he may not find it impossible to regain it. It should be easier to-day than ever before for a man to make a living, because the processes of industry are on so vast a scale as to have enormously increased the field upon which labor may be exerted. The return to every man for his day's labor should be greater than ever before, because the total pro-

duction is greater as compared with the number of workers. The wants of mankind, increasing daily in both quantity and variety, should afford each day new openings for the profitable employment of brain and muscle. Yet what used to be an open field has become a privilege eagerly sought—the right to labor! Our young men once selected their avocation as a matter of choice; to-day they humbly beg for a chance anywhere, and grasp at whatever opportunity may be given them to earn their bread. The nation has gone on prospering beyond precedent, but its citizens have found their struggle for existence growing harder and more precarious day by day. The few have grown steadily richer, the many have stood still or gone backward; the amount of labor being done has enormously increased, but instead of this making a fresh demand for more labor, according to the law of nature, the opportunities for work have become immeasurably fewer for each of us. Our national development has been great, but it has been so ill-balanced as to continually threaten its own overthrow.

For nearly a hundred years after the Declaration of Independence, it was only political questions that confronted us; within the memory almost of those who have not yet grown beards, the burning issues have become social ones. We have boasted that

this is the land of freedom and equality ; but the man is not free who can live only at the permission of another to labor, and equality has long since become little more than a jest. It is little wonder that a spirit of unrest under the new conditions is abroad ; the wonder is that the American people, who have never brooked tyranny from others, should not have long since broken the fetters which they have riveted upon themselves. Even to those who dwell in a real or fancied security as to their own hold upon the world's goods, there cannot but be a warning in the sullen rumblings that reach them from the social strata beneath them. There are no such natural differences between men as that one could by his own efforts, or even his own mastery over other minds, produce a million dollars a year, while another's best efforts will hardly bring him in three hundred ; and when artificial differences to this extent appear, it must cause discontent, however vaguely or erroneously that is directed. A triumphant plutocracy has enslaved the vast body of our people ; and unless there is some relief, its weight will crush the bearers of the burden, or the uprising of the latter will wreck the Republic, and bring such chaos as France saw in 1789. We may not yet be at the verge of the chasm, but each step brings us nearer to it, and to the day all thoughtful

men must dread when they remember how other civilizations have fallen.

And in one sense it would be even better that America should suffer such a fate, horrible as that would be, than that it should go on further in the road which we have been travelling so fast in the last twenty years. For the bonds that give the rich their power are choking the life out of the nation's industry, and destroying the very sources from which they draw their wealth. If we do not have chaos, we must some day reach industrial stagnation—unless we cure the evil and avert both consummations. As civilization grows, no man produces all he must have for his own needs. He makes a surplus of some things and exchanges that surplus for the surplus of other things which other men have made. Yet we, in our folly, seek to forbid this exchange by which alone can men live under present conditions. We maintain a preposterous tariff wall, such as China invented, and decree that men must pay a fine if they bring in goods from abroad, or else must contribute to the wealth of some one who controls the natural materials out of which similar goods can be made at home. By this tariff, we especially lay the farmers under tribute to a few mine-owners; limit the possibility of the farmer to produce wealth, and decree that out of what he does

produce he must share with some one else. We tax commodities and industry of all kinds, and in every possible way discourage the production of the one and the existence of the other. If a man but improves his house, or his barn, or his store, we put an extra burden upon him as a sort of warning not to do too much of that sort of thing. And with it all, by our system of taxing unused land at a lower rate than land which is improved, we add to the tendency of all these taxes on production to make it more profitable for some men to gobble up the natural opportunities which are necessary to labor and keep them lying idle until the necessities of other men force them to pay more blood-money for their use; rather than encourage them to put their capital to active employment.

By all these contrivances, which in our blindness we consider a system of taxation that is to fall equally upon all, we at once partially paralyze the wealth-producing farmer and compel the workers in our hive to pay a constantly increasing toll to the drones. The owner of a mine, a forest, a city lot, an enterprise the use of which is a necessary factor in the ramifications of modern trade, such as a railroad or a telegraph line—in short, of any thing created by nature, and therefore impossible of duplication by man, or erected by the franchise of

the community with its accompanying feature of such forestalling of certain natural advantages as practically forbid competition—the man who has been fortunate enough to fall heir to such privileges or shrewd enough to seize upon them in advance of the public need, is in such position that he may safely look to his fellow-citizens to pay him for their use at an ever-increasing rate. And therefore it is that a few reap all the benefits of an increase in the production of comforts in which the many are engaged; while the many are steadily falling behind in the race and sinking into a condition of serfdom that is no less oppressive because it is glossed over with specious class designations. Therefore it is that men are growing restive and looking for relief in such spirit that we may well tremble when we think of the future. But, gravest of all, we find here the reason why compulsory idleness is spreading its fell shadow over a larger percentage of our population every year. By taxing industry and its products, we place a premium on keeping idle the natural elements essential to industry, and thus limit its exercise. We often make it more profitable to work a mine at its smallest capacity for the sake of higher price in consequence realized for the smaller product; we carefully prepare and manure the ground on which breeds such speculation in vacant

lots as curses all of our progressive towns and cities, denying the right of labor thereon to those who are ready and willing to work, until their need has become so great that the speculator can command a hundred-fold profit. Carried to its ultimate, this speculation in the gifts of nature would work its own destruction in the entire stoppage of industry, and therefore of the monopolists' returns. But while we are waiting for them to ruin themselves by their own greed, the lot of man is growing harder, the chances even to maintain life are diminishing, and poverty in all its various grades darkens the land more and more deeply as the opportunities for work are shut off. Is there no way that we can remedy all this?

SCYLLA AND CHARYBDIS.

MANIFOLD have been the measures proposed for curing or alleviating the evils from which society suffers, ranging in their scope from those of the Socialists, who would have government do every thing, to those of the Anarchists, who would have no government at all, or those unconscious Anarchists, the diminishing disciples of the doctrine of *laissez faire*, amongst whom alone are to be found any men who, having given serious thought to social conditions, yet hold that nothing more ails society than what might be called "growing pains." Such as these claim that for civilization to have its perfect work in ameliorating the state of men, it is only requisite that organized society shall stand aside and do nothing, forgetting that when we would have a road clear, it is oftentimes as necessary to remove obstructions as it is to avoid placing others in the way. In the road to industrial freedom there stands an obstacle which must be removed if we would keep on in the direct path. It is the control of those natural forces essential to

the production of wealth, the special privileges through which the few at once fatten upon and throttle the energies of the many, grant or deny at will the opportunity to labor, and often even diminish the number of useful things that the world might otherwise have to enjoy, by holding land out of use to await a speculative advance in value, and thus forcing men to use less productive land than is called for by the present population and stage that the arts have reached. Arising out of the purely natural product of economic rent, land monopoly is yet a creature of human laws which have recognized private ownership, in what is rightly public property because of its necessarily limited character, and it is but true individualism to equalize opportunities by tearing down this barrier which we have ourselves erected. For while this remains it is only a sham liberty that we offer by striking off the other fetters upon trade and all productive enterprise. We must have courage to do more than merely keep off society's hands from intermeddling with the conduct of its citizens, and must undo the wrong that has been done in permitting and even encouraging one class of citizens to build up private interferences with private rights.

Yet it is not from too much, but from too little individualism that we have just now to guard. Re-

coiling instinctively from the theory that all is well, and that nothing remains but to let the ostensibly natural, but in reality warped, process of evolution work out its own results on the lines hitherto followed, the drift of men's minds has latterly been to fresh but more designed interferences with natural laws, to remedy those ills which are chiefly due to the unintentional interferences that have been allowed to rear themselves up unchecked, for want of wiser human laws. The incessant but futile efforts to regulate or repress those combinations of capital that are founded upon powers of monopoly, the removal of which would strike at the root of the evil, are so many cases in point.

The agitation for an artificial increase in the volume of currency, which swept over the country with such force only a few years ago, and which now seems to be gathering new strength, is another evidence of the socialistic spirit that insists on making things right arbitrarily rather than consent to adjusting conditions so that they will have a chance to make themselves right. It is a truism to say that men need goods and not the mere counters which represent them. Yet there is a specious plausibility in the argument that these counters being needed for the exchange which is an essential part of the production of wealth, their being

added to in number would furnish so many more tools for the stimulation of commerce.

As a matter of fact, there is no lack of currency, and with the banking system so fully developed as it is in this country, it is very doubtful whether currency can ever become so scarce again as to seriously affect trade. The abolition of the bank-check stamp removed an artificial restriction upon commerce by permitting the economical use of small checks, and thereby added enormously to the volume of our currency. So did the money-order system of the post-office and the express companies; all of these agencies furnishing, too, a currency that is ideal in its elasticity. We do not lack currency, even though we do lack "money"; and that only because the obstacles which we have placed or allowed to remain in the way of men who wish to labor, prevent them from employing themselves to produce the things, title to which we call "money." These obstacles would be increased and not diminished by

OUTRIGHT SOCIALISM

or its toy annex, Nationalism, just as they are by the partial socialism of the protective-tariff system. The keynote of Socialism is the dogma laid down by Mr. Gronlund, that "it is just as natural for

healthy men to think and believe alike as it is for healthy men to see alike," a conclusion counter to all that we know of that human progress which results from the mutual friction of opposing minds. But without its acceptance Socialism rests on the fallible wisdom of those who may happen to be in authority ; for it is they who must determine what are the needs of all and how labor shall be directed to meet them. The probable supply we already know as to most articles, but the nature and extent of demand is a sealed book to the subtlest individual intellect ; and it is here that Socialism would fail, even were it not an insufferable tyranny.

Born in a land where a personality is the State, it is hardly strange to find Socialism investing the State with a personality to which individual rights must bow ; yet so long as it claims to be the highest flower of the French Revolution, it is odd to find it contradicting the central doctrine of the men of 1789—that "the liberty of each citizen is bounded only by the equal liberty of all other citizens." Down at the bottom of the socialistic ideal and underlying the avowed fundamental principle that the injustice and misery which have been caused by the old limitations to human effort can only be corrected by creating new ones, is the notion that there are some men better fitted to direct the ener-

gies of all than is each man for himself to manage his own affairs.

The socialists' pet illustration of society is as an organism that corresponds to the human body, a set of co-ordinate members working in unison under the direction of a conscious brain. The physiology here, as in Mr. Gronlund's assumption, that healthy men "see alike," is as mistaken as is the economic deduction sought to be drawn. Our physical organs work mostly through a system of reactions through unconscious nerves and involuntary muscles, by a sort of natural competition, such as is found partly developed in the existing economic order. The human body is a perfect instance of a healthy competitive system; society is indeed an organism, but an organism with some of its members manacled. It is the restrictions which we now place upon the free play of social forces, the obstacles which we allow some men to plant in the way of others, that prevent our social body from developing as healthy a growth as our physical bodies, not the relative freedom with which our social organs already work. We do not need to put metes and bounds to the movement of our social organs any more than to encase our physical limbs in an artificial machinery by which their movements may be more effectually controlled by conscious cerebra-

tion. Nor could we do so if we would, for the social brain which the socialistic ideal necessarily involves, and to a secret belief in which is almost wholly due the existence of its nationalist wing in especial—a superior directing class, whose ability to calculate and direct is greater than that of the mass of men—such a class does not exist.

There is no need that mankind should give up its liberty to the State (which in practice would be the subordination of the many to the few) as the only alternative to the slavery under individuals without social responsibility which now threatens us. What the world needs is not more restriction, but more true liberty; not a petty interference with individual actions, a directing and regulating of the extent and channels to which and in which we shall exert our industrial force; but simply freedom to use that force on the lines where we individually find least resistance. There are no natural barriers; we have only to take down the artificial ones. For individuals to control such public functions as a monopoly of transportation is to erect a barrier to the free action of other individuals, and there is, therefore, a reason why the State should resume its natural control of such fields of enterprise. But as to all else, it is only necessary for the State to see fair play, and by taking for common use the value

which accrues to advantage of location, to forbid that one citizen should stand in another's way—to remove its heavy hand of taxation from industry and equalize opportunities by subsisting upon economic rent.

THE TARIFF QUESTION.

IT was the reaction against socialistic regulation of individual freedom, and its concomitant effect of turning this regulation ostensibly for the benefit of all, to the profit of the few, that gave life to the uprising against Protection two years ago, and that has since daily added to its growing force.

When Grover Cleveland sounded the call to arms for the greatest moral battle of the generation, he must have been a dull-witted man who fancied that it was an ephemeral issue which had been raised. It had been germinating for years, but the time was now ripe for it to demand all the energies of the American people for its just solution. Fond as we are of making comparisons with the past, the tariff question is an altogether different thing in kind as well as degree, from that which agitated the minds of statesmen in the last generation in such moments as they could spare from consideration of what were then the weightier political problems. Then it was but little more than a question of good or bad taxation, involving

some inequalities of social conditions, as all interference with nature's laws must ; but not of vital moment to the industries of a country in which the opportunities for creating wealth were so boundless and so free to all, that it made less difference whether abstract economic justice was attained than whether the purely political institutions of a new-born nation were properly grounded.

To-day it has become a struggle between oligarchy, masked behind the hardly less hateful pretense of an artificial direction of social force ; and such liberty of action as means life and death to the millions who are producing the wealth of the country. For nearly a generation it was so persistently dinned into our ears that only by shutting ourselves off from the rest of the world could we maintain a diversity of occupations ; that only by protection to American labor could American wages be secured—that we came to devoutly believe in the superstition and to ignore the self-evident fact that even if these assertions were true we were yet cramping our efforts by forcing them into unnatural channels ; that industries which could only live by the help of perpetual wet-nursing were not worth having, and that by thus warping our natural tendencies we must inevitably in our moral life feel the repressive effects of a

system that was destroying our habits of self-dependence. The answer given to all this has been that the American laborer must be taken care of, and that the only way to do this was to shut out foreign goods and, by freeing domestic manufactures from foreign competition, enable them to pay higher wages.

From the first it was a dishonest plea; and it was indeed an afterthought invented by the beneficiaries of the tariff as an excuse for their being made a favored class. For the protective system was originally advocated in theory on purely socialistic grounds: the argument being that it is the duty of a nation to select the pursuits which its citizens should follow rather than to leave them to their individual volition; and to see to it that its selection is respected, either by coaxing or by coercion. Pure socialism, like pure despotism, lays down a cast-iron plan for all industries under central authority, to which all citizens must conform or starve. That form of socialism which is miscalled protectionism theoretically seeks to attain the same object—the national direction of industry—by offering a system of bribes, through which some men are led to engage in pursuits which they would otherwise reject, the coercion here being on those who “pay the piper” rather than on those who do the work.

But just as Socialism proper must always be subject to the danger that the men temporarily in authority will manipulate the conduct of industries by the State to their own personal advantage, so Protectionism quickly degenerates even from the artificial ideal at which it aims, to a vulgar, selfish scramble for spoils, in which the successful ones are invariably those who have secured control of the gifts of nature in the shape of raw material which cannot be duplicated by labor, and meet therefore with no competition.

WHERE THE MONEY GOES.

We shut out foreign pig-iron, ostensibly that iron manufacturers may be offered such a bonus as will induce them to develop home production ; but the net result is that not only all industries using iron, but even the production of iron itself is crippled by the decreased demand consequent upon artificially higher prices—for the benefit solely of iron ore and coal-mine owners. With the best facilities in the world for making cheap cotton goods, we cannot meet English competition chiefly because of the protection given one or two owners of mineral deposits from which must come the dye-stuffs and bleaching powders needed to finish the goods for market. It is not the lumbermen who profit

by the tariff placed on sawed and hewn timber; it is the lumber barons who own the forests. No laborer in a copper or lead mine earns or receives a penny more wages, nor is any smelting works the more profitable because we have decreed that these metals must not be imported; but the mining companies pay princely dividends and dictate terms to all who deal with them.

Many a time has the falsehood been exposed of this pretext that protection stimulates an industry, as in the operation of our absurd wool tariff, or when important smelting works on the Atlantic coast were closed by the imposition of a prohibitive duty on copper; but perhaps the best illustration has been furnished by the controversy waged over the question whether Mexican ores carrying both lead and silver shall continue to be admitted free as silver ores or excluded by a new classification of them as lead ores. One set of mine owners in New Mexico and Utah find that the admission of these ores begins seriously to interfere with their own share of the monopoly which they and a few others enjoy in the lead trade, and vehemently demand that no lead shall be used in the United States which is not found in our own sacred soil, a large part of the lead-bearing portion of which they happen to have pre-empted. Another set of mine

owners in Colorado cannot enjoy their full share of monopoly on account of the peculiar nature of their ore veins unless they can get Mexican ores for admixture ; and so they throw to the winds the hallowed principle of protection, demanding that *their* business be granted the vivifying influence of free trade. Allied with them are all the important independent smelting works that do not control mines, in Kansas City, in Newark, in St. Louis, and elsewhere, who, if not forced to shut down, will at least be seriously hampered and compelled to limit their operations if denied access to so important a part of their material. In all its boldness comes forth the horrid fact that it is not the laborers who make lead or even the manufacturers who employ them, who benefit by the tariff ; but only the owners of natural sources from which lead is drawn.

And the reason why this is so is plain. If we force our citizens to buy lead of domestic producers there will always be enough works built for the conversion of lead ore into lead pipe or shot or sheets to create an effective competition, so long as the business of such conversion carries an abnormal profit. But there the home competition, which is the dream of the theoretical protectionist, must meet with a rude check, for when we pass from the mere manufacture to the acquisition of raw mate-

rial, we find that no matter how much the demand may grow or how high the price may rise, lead mines cannot be built like smelting works, and that the owner of the former will, therefore, always be in a position to demand that the smelter turn over to him his tariff plunder; that, in short, monopoly will command mere industry and enterprise. Our fine scheme for forcing a hot-house growth of a manufacturing industry simply results in having the manufacturers plunder the people only to pay the mine-owners. True, prices of protected goods do not always rise to the full extent of the tariff upon them. If they are produced in such quantities as to exceed the home demand, and the producing interests are so many and so varied and the cost of production so low that the producers clash with one another, the goods may finally sell as cheaply here as abroad; as at last was the case with copper after the American public had been mulcted for years to benefit a few Boston capitalists. And but few commodities will be enhanced in price to a greater extent than the duty on such form of each article as will not lose materially in weight in passing through a further process of manufacture. Above that line foreign competition will be operative through the possibility of importing material; below the line, the material can rarely be imported

because of the freight charges on the percentage which is waste.

TARIFF AND WAGES.

But whether or not prices are increased to the consumer, or to whatever extent, the limitation of tariff upon universal freedom of action is always a hurtful thing. It benefits a few, already in enjoyment of superior natural advantages to the rest of the people; it puts a bar against the liberty of every one else to do as he may please, and whenever it raises the price, it directly reduces the opportunities for employment by diminishing the demand for goods. The evolution of the idea that the chief purpose of protection is to maintain wages, was not altogether the outcome of intentional dishonesty. Originally devised as a means of forcing the majority of the people to contribute towards a bonus which should attract a minority to pursuits that they might not follow without such inducement, the favored ones, ashamed to acknowledge even to themselves that they were pensioners on the public bounty, invented the notion that it was for the poor workingman that they labored. That delusion is happily wellnigh exploded since the workingmen themselves are beginning to learn that wages depend on something else than tariffs; but the kindred delusion that in some mysterious

way the spoils of protection are distributed throughout the communities in the midst of which they lodge, seems more persistent. One would imagine, to listen to current discussion, that it really was a matter of grave concern to the people of Pennsylvania that its few thousand iron lords should be made millionaires. In this lead dispute we hear of the "vital interest" taken by the people of Utah, of Colorado, of Missouri, in the profits which concern a mere handful of mine owners.

Were the monopolists all upon one side, and on the other, determined to wipe out the whole miserable imposition of a lead tariff, all the people who want to use lead or to transport it or to work it up and exchange it for other things, there would be small cause for surprise at the interest shown; but even stronger than directly apparent self-interest seems to be the hope of getting a part of the swag that one's neighbor has captured. It is doubtful whether farmers vote to keep up prices on what they buy half as much because they are deceived by the nominal tariff on agricultural products as because of the vague, superstitious belief in the blessings of a "home market," which are worshipped perhaps the more devoutly because they are wholly a matter of faith. But as wage-earners have at last begun to learn that they get no higher wages and do get less work because of protection,

so farmers may yet master the lessons taught them by such bitter experience, that a country gains nothing by restricting its energies, and that letters upon trade will redound to the benefit of only those among its citizens whose control of some natural monopoly gives them the power to tax the labor of their fellow-men. Once that conviction comes home in all its fulness to the men whose indifference or opposition lost the first pitched battle in the war for freedom of trade, they will vote no longer to rivet the shackles upon themselves ; but however long such knowledge may be deferred, the cry for liberty has swelled too loud to be stilled again. For a time it was raised only by a few earnest men who with but little personal interest involved were seeking only to restore natural justice ; but so far has the curse gone that it is the oppressed industries of the country themselves which have joined the chorus.. They are groaning under oppression which they have just begun to feel, and hardly as yet more than dimly see the source of, and for their own preservation they must soon rise and shake off the bonds so cunningly devised, that have confined America's development, and which, if not broken, will drag us farther still along the road to national bankruptcy and industrial slavery that we have been travelling of late years.

THE SINGLE TAX.

THE battle for freedom of trade is set fairly in array, and it is not too sanguine a view to take, when we are confident that it can only end in the removal of the barbarous tariff that has so long restricted our national energy. But, even then, the fight will not be over, for domestic trade and industry will even yet need relief from other burdens than those which it now shares jointly with foreign commerce. The question of landlordism, looming up to us so rapidly, will have to be dealt with, and that on radical lines.

None but those who have been among the faithful to Georgism from its beginning can appreciate the sense of relief at the advance in public sentiment which has already taken place on this subject, rendering it unnecessary now to remove such a load of prejudice as formerly, before one can fairly open a discussion of it. Definite knowledge as to what we expect to accomplish by means of the single tax is by no means as general as we would like to see it ; but at least it is possible to get a hearing

in which to impart such knowledge without having first to root out the impression that we are cranks seeking to subvert the social order ; and an enormous saving of energy is the result. That the movement should have made such advance within less than ten years after the publication of "Progress and Poverty" and only four years since the New York Mayoralty campaign first thrust its doctrines widely upon public attention, is doubtless mainly due to the prominence of the tariff question, an agitation in the same strain as that of the broader one for complete industrial liberty, though pitched in a minor key.

But the shape which the tariff question has taken in late years is rather an indication of the groove in which men's thoughts have begun to move a step in the march of enlightenment, than in itself a cause of the rapid progress made. Back of it and deeper yet, is the ominous growth of Old-World conditions in a land where want was once unknown ; the simultaneous appearance of hopeless penury alongside of enormous wealth, where once all had at least the moderate comforts of life within reach, if only an honest and earnest effort were put forth to attain them, but no one was glaringly rich. The startling inequality of conditions, so far greater than any natural inequality of ability in men, the increasing

permanence of classes, might well awaken a suspicion of injustice somewhere in our social order; but even graver is the ever-growing army of unemployed men who are willing to work, but in the midst of a progressive civilization can yet find no work to do. A great danger confronts us, whose presence no thinking man can deny or escape; and it has become a question not of mere expediency, but of positive necessity, how we shall effect our readjustment not merely to approach more even justice but to secure a constantly larger percentage of our citizens from the alternative of starvation or pauperism—whether we shall endeavor to secure more liberty or intensify the influences that work toward restriction.

Our path has hitherto lain in the latter direction. We have, so far as we could, hampered trade by imposing a tariff on imports, which not only increases the amount of labor which we must furnish in exchange for foreign goods, but also increases the cost of domestic ones for the sole benefit of those who own the sources of raw material; and by narrowing all our markets on account of high prices, directly reduces the amount of employment possible in either initial production or the exchange of goods, which is an essential part of production. We impose a species of domestic tariff by turning over to

a comparatively few individuals the uncontrolled power over means of transportation. We load down mercantile business with license fees, and if a man accumulates property in a portable shape make a more or less futile effort to take part of it from him through what we call personal taxation. We fine a man heavily whenever by either using his own labor or by paying out wages to others he erects a building or makes a fence, or paints a barn, or digs a drain. In every way that we can think of, we put a stumbling-block in the way of men when they endeavor to make useful things, which not only conduce to their own comfort and often directly to the comfort and pleasure of their neighbors, but also increase their ability to purchase the goods or the labor which other men have to sell. And while we thus discourage enterprise and industry, our taxation falls lightest of all on land which is held idle, and thus offers a direct premium on the withholding land from use in every growing community, where it is often cheaper for owners of valuable land to wait until it has grown more valuable than to take the chances of immediate returns against the certainty of increased taxation if they improve.

Perhaps the least justifiable of all our existing forms of taxation—certainly the most unequal in

its working—is that in accordance with which we seek to find out how much portable property each man owns and then assume to take a percentage of it from him. This is a tax which is so transparently unwarrantable that men have no scruple about evading it, and do evade it whenever their property is large enough to make the trouble worth taking; so that it falls only on those who have least. But every tax on goods or on trade or improvements makes their production so much the more difficult and reduces the quantity of things essential to human life and enjoyment. When a man makes a useful thing more than he needs for his own consumption, he directly adds to the comfort of the human race, for he has in that thing the power to buy the product of some other man's labor, for which otherwise there would be no market. All men in this sense are co-workers, satisfying their own and others' wants through an infinite chain of exchanges, which therefore become a necessary step in the process of production. Every bar to these exchanges, every burden laid upon any part of the work of production, every check—whether by taxation or by denial of any of the factors of production—to the employment of labor, reduces the number of exchangeable things, and therefore the possibility for each man to satisfy his wants

in a civilization where no man produces only for himself, and all must consume some of the products of others.

Land is the prime factor of production, the one thing without the use of which not one of its processes can be accomplished. So long as any land within reach remains unappropriated, an unemployed man need not starve; but that condition, with which this country was blessed a generation ago, and by reason of which unavoidable pauperism was unknown amongst us, has passed away. The flood of emigration which brought an added power of production with each new immigrant so long as it found freedom of opportunity to labor, has not filled our country; but, to all practical purposes, the free land has all been taken up. It is not all used; much of it is held idle until the demand for it has become so much more urgent that an even higher price than now will be paid for its use. And for that reason chiefly men seek employment in vain, being forbidden the chance to employ themselves, and other men who have produced goods can find no market for them, because those who would be buyers are given no opportunity to employ their labor in rendering such services as would furnish the means of payment.

The Single Tax when in operation will cure this

congestion of social energies, whose effects we dub overproduction of wealth, in face of the fact that men and women and children are suffering on every hand for want of useful things. What Henry George has proposed and his followers now advocate, is that all taxes bearing directly or indirectly upon industry through assessment on its products (which include all tariff taxes, all license fees, all personal-property taxation and the fines on improvement that are levied in the guise of taxes upon buildings or other products of labor, which are commonly but erroneously classed with land under the head of real estate) and to substitute for these a tax upon land according to its annual value, which must eventually absorb practically the whole amount which men are willing to pay for its use. By this system, productive industry will be relieved of the checks now placed upon its exercise, the restrictions removed which block the freedom of exchange; the creation of wealth will be fostered rather than hindered as at present, for no man can afford to hold even partially idle land that is needed for the employment of labor, and all men will therefore have free access to the bounties of nature.

For it is no mere shifting of burdens that is proposed. Men will always pay for the use of land either as rental or in a capitalized price of purchase,

just as much as is equal to the productive power of such land over and above the least productive land within reach that is used at all. Not necessarily such productive power as is shown by fertility ; for it is rarely indeed that the agricultural use of land will bring any rental value and therefore rarely that farming land will be taxed as heavily under the single tax even as it is now. But in cities where great numbers of men are gathered together or in the spots where the laboratory of nature has deposited its wealth of mineral resources, the use of land is a valuable thing, for which payment is gladly given. It is given now to individuals, it is even made larger than it would otherwise be by tariff laws which raise the price of metallic ores, of coal or lumber ; and where a tax bears on commodities, that is paid in addition by the consumers of them. Of this latter they will be relieved by the single tax, through which the State will subsist on its natural income, the rental value of land and not upon an unevenly collected moiety of the labors of its citizens.

In this it will conform not only to expediency, but also to abstract justice. For this annual rental value, this percentage of the total product which is now paid over by those who use land to those who own it, represents nothing that the latter have done. It is simply the price of a privilege of which they are

so fortunate as to have become possessed. It cannot rightly be said to belong to any individual, for if we recognize the self-evident truth that all men have equal natural right to use of the land which, being created by none, is the common heritage of all, we must see that it is only fair that when one man occupies a portion of land which, either through superior natural advantages or by reason of the proximity of other men, will yield him a better income with the same amount of exertion than can be secured elsewhere, he should pay the difference into the common fund. He is forced to pay it even under our present system, by the inexorable natural law, but it is not to the rightful joint owners, but to some one who has appropriated some of the common property.

Yet this question of comparative justice is not after all the really important point. It is an evil thing that a few should grow enormously rich by receiving a portion of the results of others' labor without rendering any equivalent therefor; but an even greater evil is that the expectation of increased returns, wherever population and trade are increasing, leads men so often to withhold it from use, and thus creates an artificial scarcity of national resources just where they are the most needed, a condition which is made possible only by a system

of taxing industry instead of monopoly, and which will be destroyed by a system decreeing that, whether used or not, the value of land for use must be paid into the common treasury. It is clear that in that event no land will lie idle that is needed, and that since there will then be ample opportunities for labor open to all, there can be no possibility in this magnificent civilization of ours, but that each of us can secure the comforts of life.

The time has come when we must make our choice between freedom along this line and such regulation as is contemplated by the various forms of socialism, under whichever name they appear. Land values are ultimately the creature of natural forces, proximately of the communities to which, under Mr. George's plan, they will accrue; and if we do not conform our institutions to this undoubted fact; if we continue to allow the few to fatten upon the many and dictate the conditions of life to all, we must inevitably balance this injustice with the other injustice of prescribing to men how and when they shall labor; we must substitute our own crude efforts to distribute rewards for the unerring justice of nature, who never fails to duly apportion results to efforts when we do not interfere, and who has sufficient employment for all if only we do not deny our brothers' access to her.

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